



Memorandum

TO: Public Utilities Commissioners

FROM: Christy Hetherington, Esq.,
on behalf of the Division of Public Utilities and Carriers

DATE: May 19, 2020

RE: Division's Position in Docket 4606 - In Re Block Island Utility District Petition
Pursuant to R.I.G.L. § 39-1-27(g)

On May 7, 2020, the Block Island Utility District (“BIUD”) filed with the Public Utilities Commission (“Commission”) a petition pursuant to R.I.G.L. § 39-1-27(g) seeking exemptions from the Utility Restructuring Act (“URA”). As BIUD describes in its filing, the purpose of these exemptions is to facilitate the installation and operation of a small rooftop solar project on several buildings located on the BIUD property. This project is valued at approximately \$300,000 and is being donated to BIUD by an anonymous donor. BIUD seeks to own and operate the solar generation project, and, pursuant to the terms requested by the donor, sell the power generated (and the related Renewable Energy Certificates) to its customers in order to produce revenue for BIUD directed toward making capital improvements on BIUD’s electric system. In order to effectuate the terms, conditions and goals of this project, BIUD must first obtain Commission approval for the following statutory exemptions: (1) Exempt BIUD from the URA’s requirement that it transfer ownership of a proposed rooftop solar generation facility; and (2) Exempt BIUD from the URA’s prohibition against selling to its customers the electricity generated by the solar rooftop generating facility at retail within its service territory. Accompanying BIUD’s Petition, and in support therein, is direct testimony from Mr. Jeffery M. Wright, President of BIUD, which provides additional explanation about the particulars of the intended project.

The Division of Public Utilities (“Division”) has reviewed BIUD’s filing in its entirety and it is familiar with the proposed solar project given that the Division and BIUD recently engaged in extensive discovery and discussion on the issue in the context of BIUD’s pending standard offer service rate/reconciliation filing, Docket 4690, and its pending rate case, Docket 4975. Through testimony in those dockets, the Division voiced its approval of the solar project generally, given the philanthropic nature of the donation, the environmental benefits of renewable energy, and the capital improvements to the utility that are slated to come from the project as a whole. As such, the Division likewise approves of and supports BIUD’s request for these URA-requirement exemptions given that these waivers are a condition precedent to this project coming to fruition. Although the Division is mindful that the regulatory/rate structure and logistics of the solar project remain under consideration by the Commission, the Division nonetheless finds that these antecedent exemptions are reasonable and in the public interest.

Accordingly, the Division supports BIUD’s Petition and recommends that the Commission grant its request for exemptions from the URA requirements.